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Department of Agriculture

NEW WRINKLES IN RUNNING THE WESTERN FARM BUSINESS

An interview between L. M. Vaughan, Extension Service, and Morse Salisbury, Chief of Radio Service, in the Department of Agriculture period of the National Farm and Home Hour, Wednesday, April 12, 1933, and broadcast by a network of 49 associate NBC radio stations.

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SALISBURY:

Three months ago State agricultural economists met in Washington to work with the economists of the Department of Agriculture in making up the 1933 agricultural outlook reports. Twelve of these men gave us thumb-nail sketches of changes in farming taking place in their parts of the country.

That survey of farming conditions did not extend to the Rocky Mountain States. We know that you are interested in what's going on among farmers in all sections. So, when Mr. L. M. Vaughan, extension economist of the Department, returned after spending several weeks with farmers and County extension agents in the Rocky Mountain States, we asked him to come to the studio and answer some of the questions that Eastern and Mid Western people would like to ask about farming conditions in the Mountain valleys of the Far West. Mr. Vaughan, what's the business situation of farmers in the West?

VAUGHAN:

I would say that the business situation of farming in the Far West is if anything, more pressing than that of farmers in the East.

SALISBURY:

Well, why is that, Vaughan?

VAUGHAN:

Because the farmers out there have the same difficulties of very low prices and high charges for interest and taxes as farmers elsewhere. Then, on top of that, they are a long way from the markets for their products and have to pay high transportation costs. However, they feel that their troubles are not the result of anything which they themselves have done, for no matter what they raised the price was low. To them it is the inability of people to buy.

SALISBURY:

Also they don't have so many people to sell to locally. I mean, they can't turn to direct marketing like a good many Eastern, Southern and Mid Western farm people?

VAUGHAN:

That's right. The people of the Intermountain States do not have so much of a chance to increase the income from their farms by local marketing because there is
(over)

not the population. They also have a smaller chance of adding supplementary crops or livestock to their farming businesses in order to increase returns.

SALISBURY:

Well then, how are they meeting the situation?

VAUGHAN:

They are making desperate efforts to cut their costs. That's the only thing left for most of them to do. Some of them have a limited chance to increase their returns from their farm products by improving the quality and by developing more efficient methods of cooperative marketing. In fact, at the present low prices, the cooperatives and individual growers both are finding that only the best grades of products will pay the freight rates.

SALISBURY:

But mainly, they are concentrating on cost cutting?

VAUGHAN:

Yes.

SALISBURY:

How are they going about it?

VAUGHAN:

Well, they are uniting their efforts to cut taxes. They are trying their best to adjust debt charges. They are doing like farmers everywhere, getting more of the family living from the farm. They are cutting their cash costs of production almost to the vanishing point. Of course, the methods followed differ in different sections of the Intermountain region.

SALISBURY:

All right, let's be specific. Let's take the four States of Nevada, Utah, Idaho, and Colorado and see how farmers in these States are changing their methods under the stress of the emergency. Where shall we start?

VAUGHAN:

Let's start with Nevada. The agriculture of Nevada illustrates the fact that a good many of the Far Western farmers have no chance to adjust their business to the new conditions by changing to new crops or livestock. They must raise the same crops and same stock year in and year out. They have to send these crops and stock out to the national market, for the home demand is small on account of the small population. So Nevada must go ahead producing cattle, sheep, wool and butterfat to ship out to market. The rancher running cattle or sheep on the range, and the small farmer growing alfalfa and other crops in the irrigated valleys have to meet the economic changes by producing better quality products, putting them on the market at the time when the price is best, and cutting production costs. They can't do it by changing to other types of farming.

SALISBURY:

Well, let's get down to specific adjustments. Can you point out exactly how they are following out this program?

VAUGHAN:

The best answer I can give to that question is to quote you some paragraphs from 1933 Nevada outlook reports pointing out to Nevada farmers the possible lines of change in farming methods. Here is the quotation from the report:

"Production, except for minor refinements, can change but little. The price level is beyond the control of individual farmers. Since cash is scarce, farmers who can make their cash go the furthest are in best shape. One method that everybody can use to reduce the need for cash is to provide as much of the family food as possible from a home garden and by raising the home meat supply. In the farming business, some specific ways of conserving cash are -- let the tractors stand idle if horses and home labor are available; make earlier repairs on machinery, buildings and fences so as to cut emergency cash losses in breakdown and in lost livestock; use farm labor to its fullest extent in raising feeds on all classes of lands, especially if it costs little or no extra cash; exchange labor and equipment with neighbors as fully as possible; remember that it doesn't pay as well to cultivate lands for low priced crops as for high priced crops; and that every dollar of expense contracted for crop, feed, or livestock must promise more than a dollar in return if the business is to be kept going."

SALISBURY:

Well, that program of Nevada farmers sounds like commonsense. Now tell us about conditions in Utah.

VAUGHAN:

All right. But before I do, let me say that in all these Rocky Mountain States, the Nevada situation is typical. I mean that the farmers don't have much chance to shift around their crops from year to year. They have to stick to the enterprises that would be profitable in the long run. Of course, there are some exceptions, especially in the irrigated sections, where growers can change from one vegetable crop to another.

Now I should say that the chief characteristic of the farm business adjustment in Utah is the way in which the people in the irrigated section are able to retrench. You see, many of the farms in the irrigated parts of Utah are small, and most of the farm families live in villages. They have been very successful in establishing a self-sufficient kind of agriculture, each community producing most of its own food and some of its other necessities.

SALISBURY:

How about adjustments in Idaho?

VAUGHAN:

It depends on what part of Idaho you're talking about. In Northern Idaho, where the people are on wheat lands or cut-over areas, about the only thing they

can do is to cut cash expenses and grow more of the family living on the farm. To do this, they are keeping more dairy cattle and hens.

SALISBURY:

How does that differ from Southern Idaho?

VAUGHAN:

It differs in this way: People in Southern Idaho have some chance to shift their crops. They are in an irrigated section. They can raise either potatoes or sugar beets to advantage. They seem to be changing to sugar beet growing. The acreage of beets doubled last year. It may increase still further this year. Idaho farmers also are changing their feeding practices, and are learning to put some of the by-products of the State's farming industry such as pea meal, beet pulp, etc., into balanced livestock rations. They are selling more of their cheap grain through livestock, finishing their own lambs for market rather than selling them for feeders.

SALISBURY:

Well, we have time for just a brief survey of the changes going on in Colorado.

VAUGHAN:

Like the others, Colorado farmers are paying close attention to producing food for their families and feed for their livestock on their own farms. Then they are paying more attention to the selection of their own seed or to the quality of the seed they buy. They have learned that oftentimes paying a few cents more per acre for seed will bring in many more bushels or tons at harvest time. In a good many places in Colorado, farmers are trying to organize their business so that the farm family itself, by exchanging labor with neighbors, will be able to handle all the work and thus cut down cash expense for hired help. In the Eastern part of the State, they are planning to do the field work at just the right time in order to take the greatest possible advantage of available moisture. The irrigation farmers are making the maximum use of each inch of irrigation water. And farmers all over the State are trying to control noxious weeds since they rob the soil of moisture and greatly reduce yields per acre. A few recent dry years have made these things very important.

SALISBURY:

You have given us an interesting account of farm conditions in the Intermountain States, Mr. Vaughan. Would you mind summing up for us your view of conditions there?

VAUGHAN:

Not at all. Far Western farmers have all the difficulties of farmers in other sections, plus heavier freight charges which haven't come down much. To meet the situation, they are cutting costs, cutting production, and trying to get more living from the farm. They are making a desperate attempt to hold on until prices rise. Frankly, they can't carry their retrenchment much further. They are down to rock bottom now.

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